GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:322
ANSWERED ON:22.12.2008
SALE OF WHEAT IN OPEN MARKET
Chinta Mohan Dr.

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Food Corporation of India (FCI) currently holds wheat in excess of its requirement in the country;

(b) if so, whether FCI had invited tenders to sell wheat in the open market in the recent past;

(c) if so, the details thereof indicating the value and quantum of wheat for which tenders were received by the Government;

(d) whether the tenders so received fell short of the quantum offered by the FCI;and

(e) if so, the details thereof and the reasons therefor alongwith the remedial steps taken in this regard?

Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR)

(a), (b), (c), (d)&(e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE STARRED QUESTION NO. 322 DUE FOR ANSWER ON 22.12.2008 IN THE LOK SABHA.

(a),(b),(c),(d)&(e): Yes,Sir.The total stock of wheat in the Central Pool held by Food Corporation of India (FCI) and State Agencies as on 1.12.2008 is 195.98 lakh tonnes.

In view of the comfortable position of stocks of wheat in the Central Pool, Government decided to release wheat in the open market in order to increase its availability in the open market and to check inflationary trends in the food economy.

Allocation of 10 lakh tonnes of wheat has been made to States/UT Governments for distribution to household consumers and small processors of wheat. Sale of wheat to bulk consumers is being done by FCI through open tenders.

FCI has floated tenders for sale of 8.68 lakh tonnes of wheat to bulk consumers in various States/UTs. Against these tenders, as on 11.12.2008, FCI has received bids for 2.42 lakh tonnes of wheat, at a value of Rs. 264.96 crores (approximately).

FCI is inviting tenders for the balance stocks in suitable tranches in consultation with the State Governments. The primary objective of the scheme is to check inflationary trends in the open market prices of wheat. This objective been achieved as the open market prices of wheat have remained stable in 2008-09.